

Claim Amendments

The following list of claims is currently pending in the application:

1-35. (Canceled)

36. (Currently Amended) The method of claim 48, further comprising calculating projected contingent payments with a computer system.

37. (Previously Presented) The method of claim 36, wherein the projected contingent payments are calculated based on the forward prices and expected value of the contingent payments.

38. (Original) The method of claim 37, wherein a comparable yield is determined by referencing a yield of a fixed-rate nonconvertible debt instrument with terms and conditions similar to terms and conditions of the convertible security.

39. (Original) The method of claim 37, wherein a projected payment schedule includes each noncontingent payment and the projected contingent payments.

40. (Original) The method of claim 36, further comprising making adjustments based on a comparison of projected contingent payments to actual contingent payments.

41. (Original) The method of claim 40, wherein if the actual contingent payments are greater than the projected contingent payments, a positive adjustment is made.

42. (Original) The method of claim 40, wherein if the actual contingent payments are less than the projected contingent payments, a negative adjustment is made.

43. (Previously Presented) The method of claim 48, wherein the convertible security is remarketed as a new straight debt security.

44. (Previously Presented) The method of claim 48, wherein the convertible security is remarketed as a new convertible security.

45. (Previously Presented) The method of claim 48, wherein a determination of whether to remarket is made based on a comparison of a price for a stock underlying the convertible security and a conversion price which specifies a dollar amount at which the convertible security can be converted into common stock of the issuer at a remarketing time.

46-47. (Canceled)

48. (Currently Amended) A financial method comprising the steps of: issuing a convertible security by an issuer to a holder, wherein the convertible security comprises:

 a maturity term;
 an exchange a conversion provision providing that the holder is entitled to exchange the convertible security for another asset under certain conditions;
 a contingent payment provision that provides that the holder is entitled to a contingent payment upon the occurrence of one or more specified conditions; and
 a remarketing provision that provides that the convertible security may be remarketed to new investors under certain conditions; and
 wherein the convertible security does not have any put provisions; and
 remarketing, at a remarketing time, the convertible security to one or more new investors, wherein, after the remarketing time, the convertible security remains outstanding and potential recapture of excess tax benefits is postponed until the convertible security ceases to be outstanding.

49. (Currently Amended) A financial method comprising the steps of: issuing a convertible security by an issuer to a holder, wherein the convertible security comprises:

 a maturity term;
 an exchange a conversion provision providing that the holder is entitled to exchange the convertible security for another asset under certain conditions;
 a contingent payment provision that provides that the holder is entitled to a contingent payment upon the occurrence of one or more specified conditions; and

a remarketing provision that provides that the convertible security may be remarketed to new investors under certain conditions at a remarketing time, wherein after remarketing, the convertible security remains outstanding and potential recapture of excess tax benefits is postponed until the convertible security ceases to be outstanding; and

wherein the convertible security does not have any put provisions.

50. (Currently Amended) The method of claim 49, further comprising calculating projected contingent payments with a computer system.

51. (Previously Presented) The method of claim 50 wherein the projected contingent payments are calculated based on the forward prices and expected value of the contingent payments.

52. (Previously Presented) The method of claim 51, wherein a comparable yield is determined by referencing a yield of a fixed-rate nonconvertible debt instrument with terms and conditions similar to terms and conditions of the convertible security.

53. (Previously Presented) The method of claim 51, wherein a projected payment schedule includes each noncontingent payment and the projected contingent payments.

54. (Previously Presented) The method of claim 50, further comprising making adjustments based on a comparison of projected contingent payments to actual contingent payments.

55. (Previously Presented) The method of claim 54, wherein if the actual contingent payments are greater than the projected contingent payments, a positive adjustment is made.

56. (Previously Presented) The method of claim 54, wherein if the actual contingent payments are less than the projected contingent payments, a negative adjustment is made.

57. (Previously Presented) The method of claim 49, wherein the convertible security is remarketed as a new straight debt security.

58. (Previously Presented) The method of claim 49, wherein the convertible security is remarketed as a new convertible security.

59. (Previously Presented) The method of claim 49, wherein a determination of whether to remarket is made based on a comparison of a price for a stock underlying the convertible security and a conversion price which specifies a dollar amount at which the convertible security can be converted into common stock of the issuer at a remarketing time.

60. (Canceled)

61. (New) The method of claim 49, wherein the convertible security further comprises a warrant provision that provides investors with an option to purchase an additional number of shares above a conversion price at a conversion rate upon conversion.